

## Find money in your woodlot through tax incentive program

### Tax incentives promote stewardship

Mike Pearson, Ancaster

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*Carla Grant, left, of the Ontario Forestry Association joins Sheila O'Neal, Coordinator of the Hamilton-Halton Watershed Stewardship program and Ed Borczon, a managed forest consultant at a recent MFTIP seminar in Ancaster.*

It's often said that money doesn't grow on trees. But local woodlot owners may be sitting on hidden cash without even knowing it.

The Managed Forest Tax Incentive Program is a voluntary program that offers a substantial tax reduction for qualified property owners. The program is available to landowners who own four hectares or more of forest land (about 10 acres), and who agree to prepare and follow a managed forest plan for their property.

Under the MFTIP, participating landowners have their property reassessed and classified as managed forest and taxed at 25 per cent of the municipal tax rate set for residential properties. The reassessment applies only to the managed forest portion of the property, and excludes the residential portion.

A managed forest plan must be approved by a licensed managed forest consultant to qualify for the tax incentive. The plan is designed to improve the owner's forestry knowledge.

Ed Borczon is a qualified managed forest consultant with over 30 years industry experience. He is often hired to approve managed forest plans. Mr. Borczon led a presentation on managed forestry plans earlier this week at the Hamilton Conservation Authority auditorium in Ancaster. About 20 local property owners attended to learn more about the program.

"You can't avoid the taxes, but you certainly can reduce them," Mr. Borczon said. "It's a great incentive."

The Ontario Woodlot Association and the Ontario Forestry Association are partners in the program and handle most of the public inquiries and program administration. They work with the Ontario Ministry of Natural

Resources and the Municipal Property Assessment Corporation.

To qualify for a re-assessment under the MFTIP for 2007, all applications and managed forest plan documents must be received no later than June 30.

Carla Grant works for the Ontario Forestry Association and has delivered more than 27 MFTIP seminars in communities across Ontario. She said an estimated 10,000 woodlot owners in Ontario have already benefited from the tax incentive program.

"When people adhere to the managed forest plan, it ensures the health of the forest," she said. "This program is one of those best-kept secrets."

When considering a managed forestry plan, Ms. Grant said land owners should consider several factors.

Owners should ask themselves how much time they spend on their property and how much money they would be willing to spend on managed forestry activities.

They should also consider their long-term plans for the property, and whether they intend to reap income from woodlot resources. As a requirement of the managed forest plan, landowners must draft a detailed map of the property. The map should show the relationship of the property to surrounding land. Physical features such as property boundaries, roads, fences or buildings should be included.

The map should also highlight environmentally sensitive areas such as wetlands, forests and deer yards.

Sheila O'Neal, coordinator of the Hamilton-Halton Watershed Stewardship Program, also encourages landowners to participate in the MFTIP initiative.

"We can answer technical questions about conservation initiatives," Ms. O'Neal said. "It's important to be aware of everything that's available to the land owner."

The stewardship program offers an award program for the best watershed stewards, and a watershed restoration program.

For a free information package on the Managed Forest Tax Incentive Program, call the OFA at 1-800-387-0790, or e-mail [mftip@oforest.on.ca](mailto:mftip@oforest.on.ca).